



CITIZEN'S GUIDE TO TRANSPORTATION FUNDING in Missouri

NOVEMBER
2023



Missouri Department
of Transportation

www.modot.org

MEET MoDOT



Missouri Highways and Transportation Commission

The Missouri Highways and Transportation Commission is a six-member board that governs the Missouri Department of Transportation. Commission members are appointed for six-year terms by the governor and are confirmed by the Missouri Senate. No more than three commission members may be of the same political party. The commission appoints the MoDOT director and the secretary to the commission. The director is responsible for appointing or hiring all other employees.

Terry Ecker, Elmo
Chair

Dustin Boatwright, Cape Girardeau
Vice Chair

Gregg Smith, Clinton
Commissioner

Warren K. Erdman, Kansas City
Commissioner

Robert Brinkmann, Defiance
Commissioner

VACANT
Commissioner

Pamela Harlan
Commission Secretary

SAFETY

MoDOT Leadership

Patrick McKenna
Director

Ed Hassinger
Deputy Director and Chief Engineer

Eric Schroeter
Asst. Chief Engineer

Brenda Morris
Chief Financial Officer

Becky Allmeroth
Chief Safety and
Operations Officer

Lester Woods
Chief Administrative Officer

Rich Tiemeyer
Chief Counsel

SERVICE

STABILITY

Committed to Transportation

Our mission is to provide a world-class transportation system that is safe, innovative, reliable and dedicated to a prosperous Missouri.

MoDOT designs, builds and maintains roads and bridges and works to improve airports, river ports, railroads, public transit systems and pedestrian and bicycle travel. The agency also administers motor carrier and highway safety programs.

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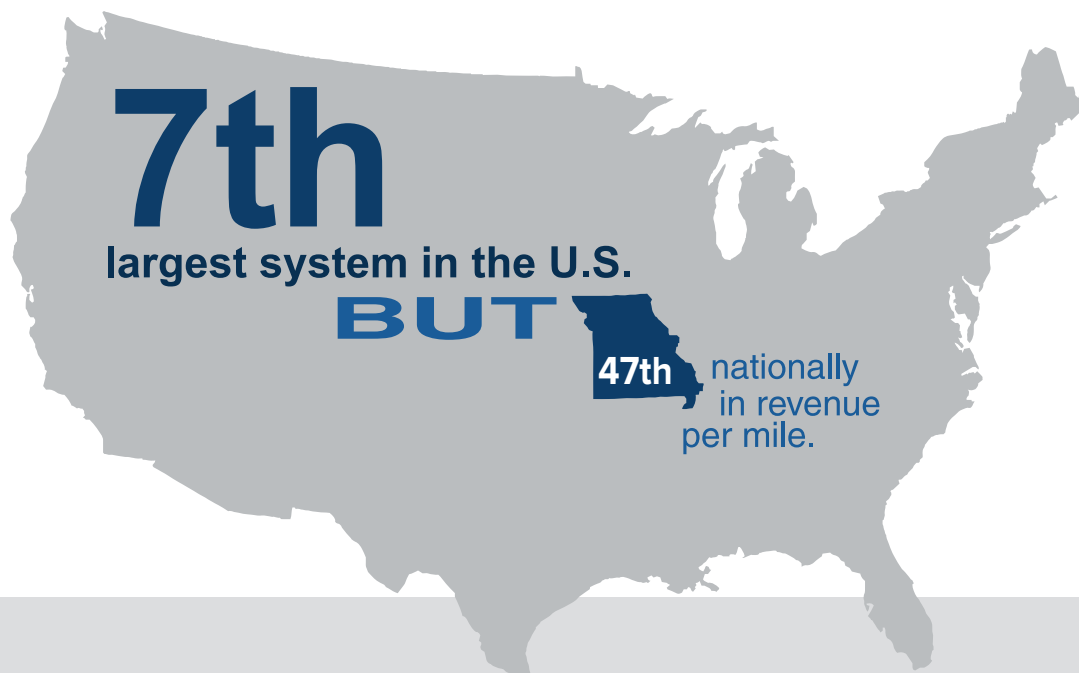
www.modot.org/guidetotransportation

CITIZEN'S GUIDE TO TRANSPORTATION FUNDING IN MISSOURI

How Transportation Funding Works

The citizens of the state of Missouri own a tremendous asset – the state transportation system.

Missouri's transportation system is a tremendous asset. Built by our parents and grandparents and funded by \$60 billion in user fees (it has a \$171 billion replacement value today), it is the nation's seventh largest state highway system – a system that is larger than neighboring states Kansas and Illinois combined. Through the combined efforts of MoDOT and its construction partners, \$1.1 billion of net assets was added to the system value in 2022. Missouri's transportation system plays a vital part in the lives of its citizens. It is counted on to safely and reliably connect people with family, jobs and services, businesses with suppliers and customers, students with schools and visitors with destinations.



How Transportation Funding WORKS

The Citizen's Guide to Transportation Funding in Missouri will further explain how transportation funding works, including how funds are distributed and invested across the state, and provide information on high-priority unfunded needs.

The primary sources of revenue provided to the Missouri Department of Transportation (MoDOT) to manage this system are user fees: fuel taxes, registration and licensing fees and motor vehicle sales taxes.

In May of 2021, the Missouri General Assembly passed Senate Bill 262, raising Missouri's motor fuel tax

by 2.5-cents per gallon per year over five years, totaling 12.5 cents when fully implemented in 2025.

The average Missouri driver pays about \$34 per month in state and federal fuel taxes and fees. This amount does not include initial estimates of motor vehicle fees and federal general revenue transfers for transportation. After distributions to other entities that are required by law, and payment of debt, MoDOT receives 57% of these funds to design, build, operate and maintain the system.

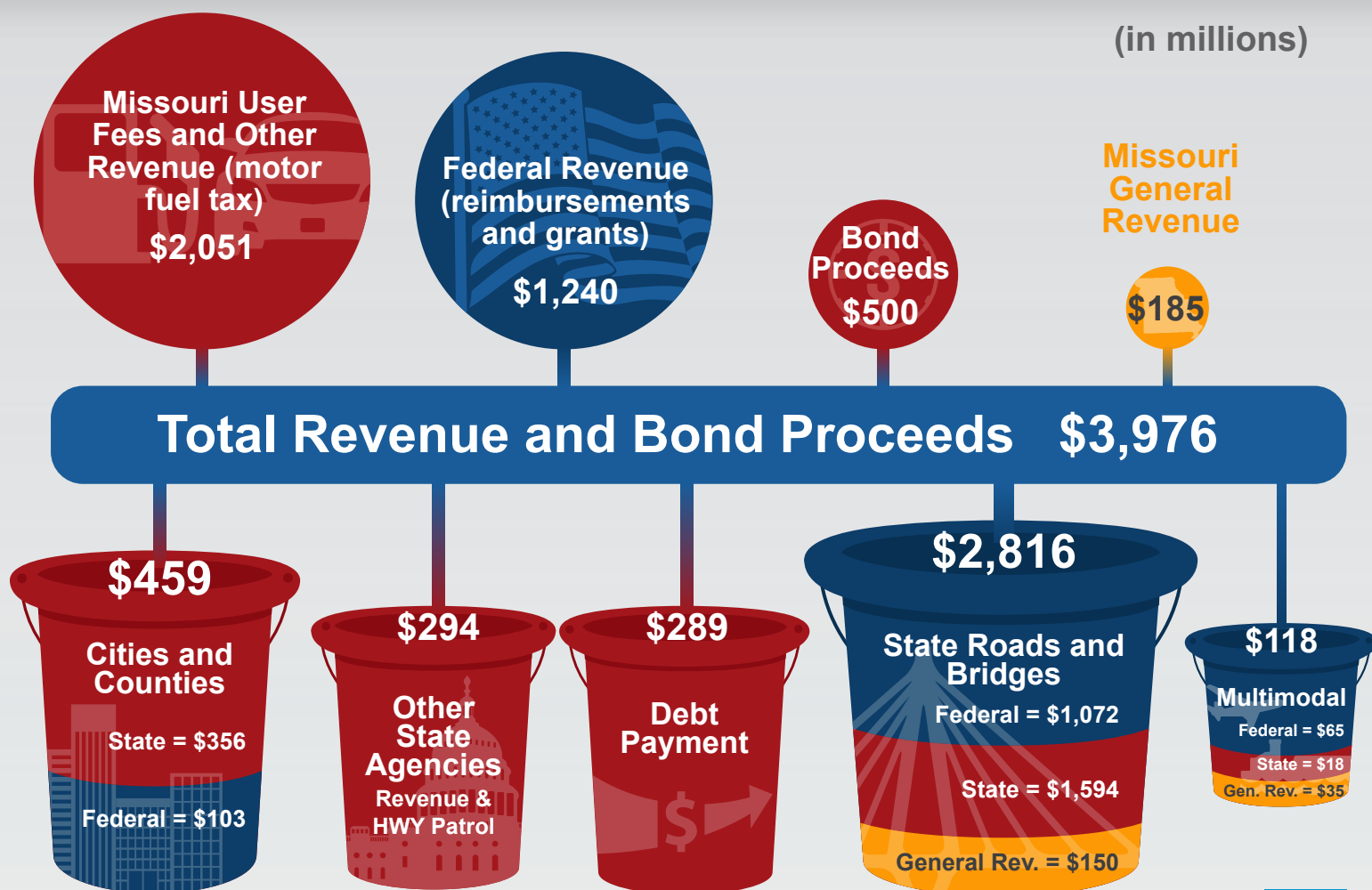
When compared to other states, MoDOT ranks 47th in the nation in revenue per mile, up from 48th in 2022, which leads to significant unfunded transportation needs across Missouri.

OVERVIEW

Missouri Transportation Funding – Overview

Missouri's transportation revenue, including bond proceeds, totaled nearly \$4 billion in fiscal year 2023. As shown below, 64% of total revenue came from state user fees, 31% from federal revenue and 5% came from Missouri's General Revenue Fund, which receives revenue from the state income tax and the state's general sales tax.

The \$4 billion of revenue and bond proceeds is distributed into five “buckets” for various transportation purposes as determined by state and federal laws. Each bucket has a unique blend of state and federal revenue, as depicted by the red, blue and gold colors. The following pages provide a detailed look into each revenue source and funding bucket.



Transportation Funding IN MISSOURI

How Transportation is Funded in Missouri

The state transportation system is funded from four sources:

- Missouri User Fees and Other Revenue
- Federal Revenue
- Missouri General Revenue
- Bond Proceeds

Missouri User Fees and Other Revenue

\$2,051 million

Missouri user fees are paid by the users of the transportation system and are dedicated for transportation use in the state¹. They include fuel taxes, registration and licensing fees and motor vehicle sales taxes.

The largest source of revenue from Missouri user fees is the state fuel tax. The state fuel tax rate of 22 cents is paid for each gallon of gasoline and diesel fuel sold in Missouri.

¹ Missouri Constitution – Article IV, Section 30(b)

The July 2021 enactment of the additional 12.5 cents of state motor fuel tax will gradually increase the state's previous 17 cents per gallon over five years. It is important to note that Missouri's tax per gallon is collected whether the price at the pump is \$1.99 or \$3.99.

Each year, about four billion gallons of fuel are sold – three billion gasoline and one billion diesel. In fiscal year 2023, Missouri travelers paid **\$942 million** of state fuel taxes – nearly one-half of all Missouri transportation user fees. The July 2021 increase in the state motor fuel tax will gradually increase the tax per gallon by 2.5 cents per year starting in Oct. 2021 and every July 1 through 2025. Eventually, the Missouri tax per gallon will be 29.5 cents per gallon.

Transportation Funding IN MISSOURI

For Missourians who purchase or lease a vehicle, a 4.225% state sales tax is paid. State and local transportation receives revenue from 3.5% of the 4.225% state rate, which totaled **\$517 million** in fiscal year 2023. Revenue from the remaining 0.725% is dedicated to the School District Trust Fund, Department of Conservation and the Department of Natural Resources.

Missouri drivers also pay vehicle registration and driver's licensing fees. The fee amounts vary based on vehicle horsepower for passenger cars, vehicle weight for trucks and class of driver's license. Most of these fees were last increased in 1984, while some were last increased in 1969. In fiscal year 2023, Missourians paid **\$362 million** of vehicle registration and driver's licensing fees.

Other revenue sources include taxes on aviation fuel, railroad fees, interest earned on invested funds and highway construction cost reimbursement from local governments and surrounding states. In fiscal year 2023, Missouri received **\$230 million** in other revenue.

In FY 2023, Missourians Paid:

- **\$942 million** in state fuel taxes,
- **\$517 million** in taxes on vehicle sales and
- **\$362 million** in vehicle registration and license fees.



A significant amount of transportation funding comes from the federal government. Federal funding is generated by the federal fuel tax – 18.4 cents per gallon for gasoline and 24.4 cents per gallon for diesel. Other sources include various taxes on tires, heavy truck and trailer sales, heavy vehicle use tax and general revenue. These revenues are made

available to the states based on formulas prescribed by federal law through transportation funding acts. In November 2021, the federal transportation bill, called the Infrastructure Investment in Jobs Act (IIJA), was reauthorized, increasing federal funding to Missouri approximately 25% for five years.

The majority of federal revenue is dedicated to pay for a share of eligible highway improvement costs. The federal share for the eligible costs is typically 80%, with the state or local government providing a 20% match. The amount of federal funding available is fixed, so some eligible costs may not receive federal reimbursement.

“The federal share for the eligible costs is typically **80%**, with the state or local government providing a **20% match**.”

Transportation Funding IN MISSOURI

Many operational costs for transportation, such as plowing snow and mowing right of way, are not eligible for federal reimbursement. In fiscal year 2023, Missouri received **\$1.048 billion** of federal reimbursement for state highway improvements and **\$103 million** for cities and counties.

This revenue source also includes federal funding for multimodal grants totaling **\$65 million** in 2023. Aviation (\$32 million), transit (\$33 million) and rail (\$0.4 million) all receive federal funding. The remaining \$24 million is for highway safety grants to improve roadway safety.

In FY 2023,
Missouri received:

- **\$1.048 billion** in federal reimbursements on state highways,
- **\$103 million** for cities & counties and
- **\$89 million** for federal safety programs and multimodal grants.



Missouri General Revenue

\$185 million



Missouri's General Revenue Fund provided **\$185 million** for transportation purposes in fiscal year 2023, or 5% of transportation revenue. The major sources of funding for Missouri's General Revenue Fund are the state income tax and general sales tax.

The Missouri General Assembly allocates these funds through the annual appropriations process during the state's legislative session. This annual process can be challenging for transportation funding as many projects require a multi-year funding commitment to go through planning, design and construction.

General Revenue Funds can be used for any transportation improvement as directed by the Missouri General Assembly. The \$185 million in fiscal year 2023 included \$35 million in multimodal funding and \$150 million for the Governor's Focus on Bridges, Transportation Cost-Share and Low-Volume Roads programs.

Additional General Revenue Funds

In June, the governor signed the fiscal year 2024 budget, which includes an historic investment of \$3 billion in General Revenue for transportation projects. The investment includes \$2.8 billion (\$1.4 billion in General Revenue funds and \$1.4 billion through a bonding program with \$136 million per year debt service paid by General Revenue funds) to widen and reconstruct 200 miles of Interstate 70, \$100 million to improve rural routes, and \$50 million to upgrade passenger rail crossings. These investments will be reflected in the 2024 Citizen's Guide to Transportation Funding.

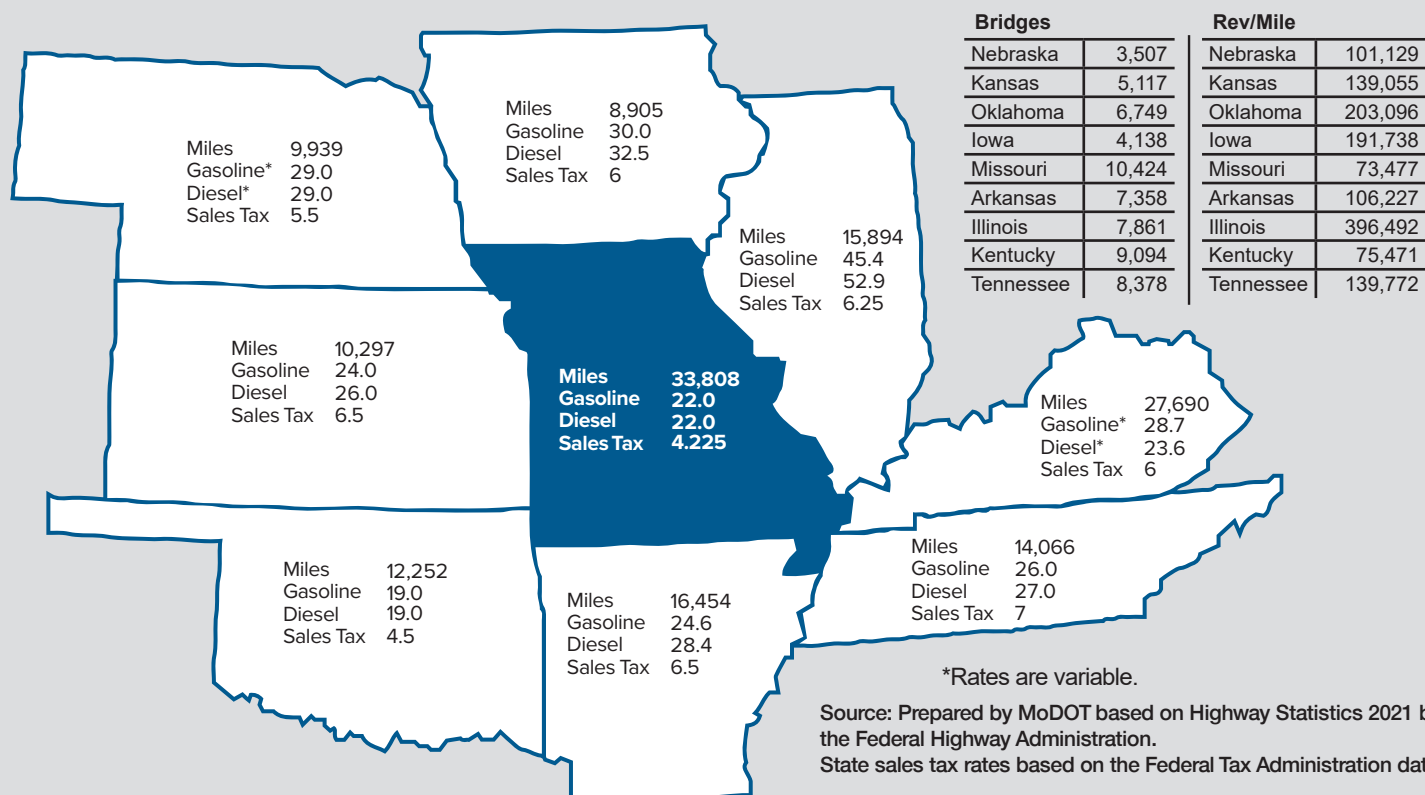
How Does Missouri COMPARE?

How Missouri Compares to the Nation and its Neighboring States

Missouri ranks 47th nationally in revenue per mile, up from 48th in 2022, primarily because the state's large system – the nation's seventh largest with 33,808 miles of highways – is funded with one of the lowest fuel taxes in the country. This ranking will be updated in subsequent years to reflect the increase in motor fuel tax. Missouri also ranks seventh nationally in the number of bridges with 10,424. This does not include the city and county system of roads and bridges, which includes an additional 97,000 miles of county roads and city streets, and just over 14,000 bridges.

Missouri Lags Behind

Missouri has one of the lower fuel tax rates compared to its neighbors. Yet it has a larger state-maintained highway system than any of them.



The 2021 enactment of SB262 raises Missouri's motor fuel tax 12.5 cents.

The motor fuel tax will increase gradually as follows:

- » 2.5 cent increase Oct. 1, 2021.
- » 2.5 cent increase each July 1 through 2025.
- » Totalling 29.5 cents per gallon when fully implemented in 2025.

Over the last 27 years, due to inflation and ever-improving vehicle fuel economy, the purchasing power of Missouri's state fuel tax has effectively dropped to 1 cent during a time when the cost of the primary road and bridge building materials of asphalt, concrete and steel have doubled. Labor costs have also significantly risen during that time frame.

Missouri's revenue per mile is \$73,477, while the national average is \$247,954. By contrast, New Jersey's revenue per mile of \$1,660,099 ranks first, although its state highway system includes only 2,329 miles and 2,408 bridges.

When compared to its eight surrounding states, Missouri has the largest highway system and the lowest revenue per mile.

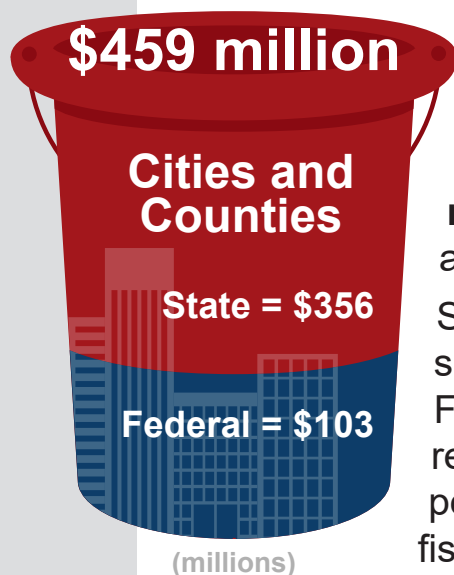
As of July 1, 2023, the rate increased 2.5 cents to 24.5 cents per gallon. Several of Missouri's surrounding states also benefit from additional revenue sources for transportation like tolling and general sales taxes.



Where is the money INVESTED?

Where is the Money Invested?

MoDOT does not receive the entire \$4 billion of transportation revenue and bond proceeds or the \$34 per month from the average Missouri driver. After allocations to cities, counties, other state agencies and debt payment, MoDOT received \$2.8 billion of transportation revenues in fiscal year 2023 to invest in the state transportation system. That equates to about \$24 of the \$34 per month Missouri drivers are paying.

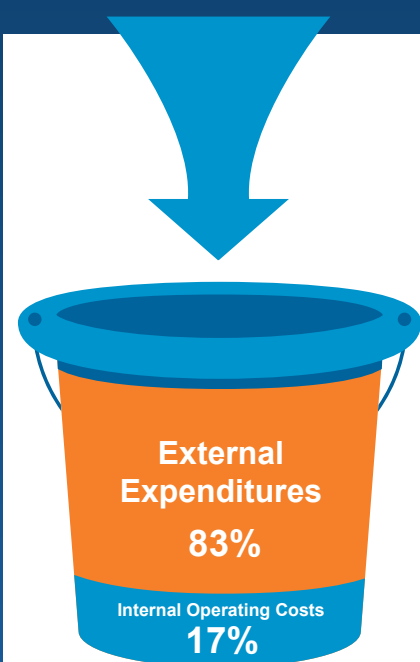


Cities and counties in Missouri receive a share of state and federal transportation revenues for projects of their choosing. In fiscal year 2023, that totaled **\$459 million** – \$356 million in state funds and \$103 million in federal funds.

State funds are distributed as specified in the state constitution². For fuel taxes, cities and counties receive 6.05 cents of the 22 cents per gallon rate, or about 27%. In fiscal year 2023, this totaled **\$253 million**. For vehicle registration and driver's licensing fees, cities and counties received **\$32 million**, or about 9%. For motor vehicle sales tax, cities and counties received **\$71 million**, or about 13%. After 1980, cities and counties received 15% each, or 30% of the total. Distribution was different in the past, resulting in a different percentage.

² Missouri Constitution – Article IV, Sections 30(a) and 30(b)

How much of MoDOT investment flows directly to the private sector?



The distribution of federal funds is prescribed by federal law through transportation funding acts. The majority of federal revenue is dedicated to reimburse a share of eligible costs, which is typically 80%.

The federal transportation programs for cities and counties include:

- Off-System Bridge,
- Congestion Mitigation and Air Quality,
- Surface Transportation Block Grant Programs,
- Transportation Alternatives Programs – these funds encompass a variety of smaller-scale transportation projects such as pedestrian and bicycle facilities, recreational trails and other community improvements, and
- Bridge Formula Program.

The majority of cities and counties also receive additional local revenues – most often from additional sales and property taxes – to build and maintain city streets and county roads. These amounts are not included in the totals discussed here.

The Missouri Constitution and state and federal laws determine how transportation funds are allocated to states, cities and counties.

Where is the money INVESTED?



Per the Missouri Constitution³, the Missouri Department of Revenue (DOR) and the Missouri State Highway Patrol (MSHP) also receive transportation revenue. In fiscal year 2023, the amount totaled **\$294 million**.

The Highway Patrol receives funding for administering and enforcing state motor vehicle laws and traffic regulations. The Missouri General Assembly determines the amount available to the MSHP each year – \$267 million was spent in fiscal year 2023.

The Department of Revenue receives funding for the cost to collect transportation taxes and fees. The cost of collection cannot exceed 3% of the particular tax or fee collected. In fiscal year 2023, the DOR received \$27 million.

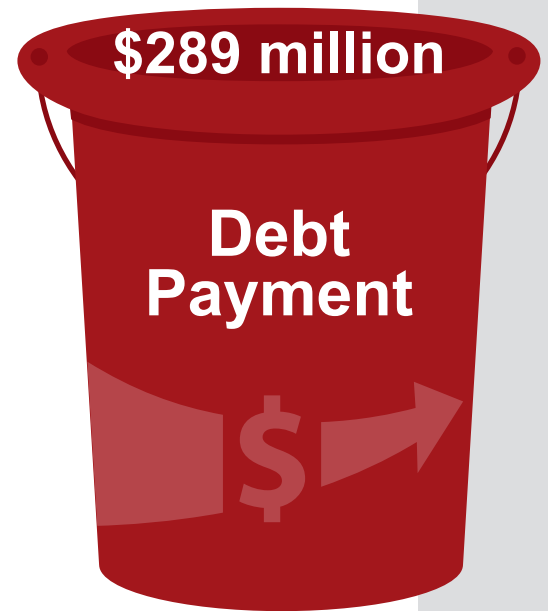
³ Missouri Constitution – Article IV, Section 30(b)

MoDOT, the Highway Patrol and the Department of Revenue are the only state agencies that may receive transportation dollars.

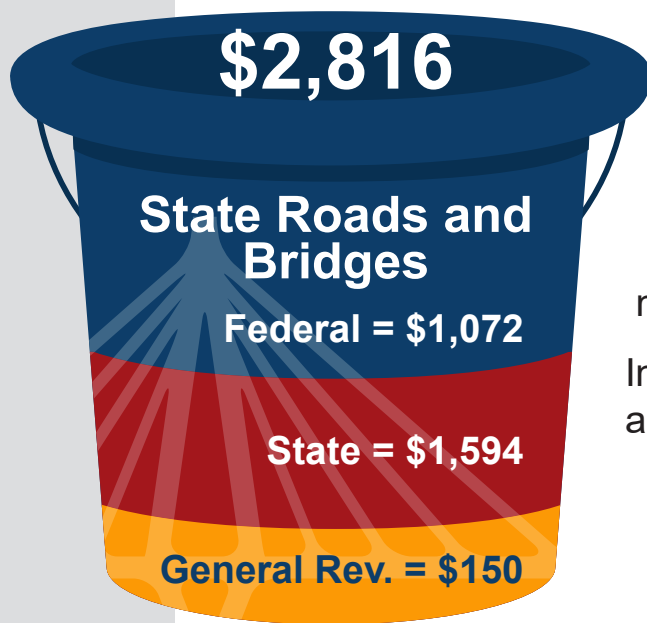
From 2000-2010, and again in fiscal years 2020, 2022 and 2023, MoDOT sold bonds that provided additional resources for highway improvements. Bonds are debt and similar to a home mortgage – this debt must be repaid over time. The total debt payment in fiscal year 2023 totaled **\$289 million**.

MoDOT has four kinds of bonds: senior bonds that were authorized by the Missouri General Assembly in 2000; Amendment 3 bonds that were authorized by Missouri voters in 2004; bonds authorized by the Missouri General Assembly in 2019 to finance the Focus on Bridges program with debt service from General Revenue over seven years; and federal GARVEE (Grant Anticipation Revenue Vehicle) bonds that financed specific projects. Borrowing advances construction and allows Missouri to avoid inflation in labor and materials costs; however, borrowed money must be repaid and new borrowing should be enabled with dedicated and reliable additional revenue to cover repayment and maintain credit ratings.

Senior bonds were paid off in 2023, and Amendment 3 and GARVEE bonds will be paid off by 2033. Focus on Bridges bonds will be paid off in 2027. The average interest rate on all outstanding debt combined is 2.79%.



Where is the money INVESTED?



(millions)

After distributions to cities and counties, other state agencies and the debt payment, 57% of transportation revenue is available for state roads and bridges. These are the funds that enable MoDOT to design, construct, operate and maintain a network of 33,808 miles of highways and 10,424 bridges.

Investments for state roads and bridges are summarized into five categories:

- Construction Program
- Maintenance
- Fleet, Facilities and information Systems
- Administration
- Highway Safety Programs

The majority of MoDOT's expenditures are payments to vendors. The payments are for goods and services needed to build and maintain Missouri's transportation infrastructure. Whether it be payments to contractors, the purchase of equipment and supplies, design services or travel costs, these outward focused expenditures are an investment in Missouri's economy and drive economic opportunity in the state, and the \$2.8 billion invested in 2023 is approximately \$1 billion more than 2022 – a 60% increase.

In addition to the distribution to cities and counties, other state agencies and debt payment, transportation revenue's spending power is impacted by [ongoing inflation](#). Recent record inflation levels have impacted construction program investments outlined in the latest Statewide Transportation Improvement Program.



The construction program is the largest area of interest rate on all outstanding debt combined is 2.79%. investment, totaling **\$1.615 billion** in fiscal year 2023, a 45% increase from 2022. It includes payments to contractors to build projects that maintain and improve the system (\$1.345 billion), MoDOT engineering costs associated with administering and monitoring the construction program – including salaries, wages and fringe benefits (\$160 million), payments to engineering design consultants (\$99 million) and the cost of acquiring right of way (\$11 million).

The maintenance expenditures, totaling **\$529 million** in fiscal year 2023, pay for the services performed by MoDOT employees like plowing snow and mowing. But it also includes maintaining the pavements on the state's lower-volume routes, approximately 5,200 of which are not eligible for federal reimbursement. It covers utilities, tools and materials needed in maintenance buildings across the state, bridge maintenance, signing, striping, sweeping, rumble stripes, lighting, etc. The maintenance budget also allows for traveler information and incident management services.

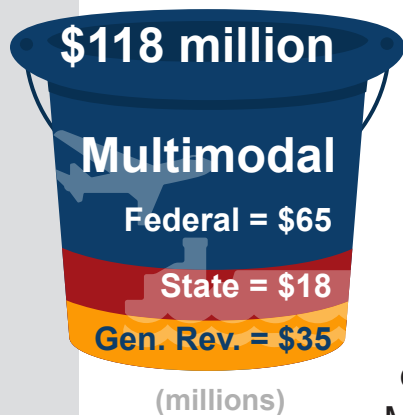
Fleet, facilities and information systems investments, totaling **\$101 million** in fiscal year 2023, cover the costs of purchasing MoDOT's fleet of trucks, constructing and maintaining MoDOT buildings and providing information technology that is needed for MoDOT to perform maintenance and engineering functions.

Where is the money INVESTED?

MoDOT's administrative costs – the fourteenth lowest in the nation – were **\$55 million** in fiscal year 2023, a 5% increase from 2022. That includes salaries, wages and fringe benefits to provide support services like human resources, accounting, legal, executive management, customer service, etc. Administration also includes medical insurance costs for MoDOT retirees.

Road and bridge investments include **\$24 million** for highway safety programs that reduce fatalities and serious injuries, which includes salaries, wages and fringe benefits.

In total, MoDOT invested **\$2.324 billion** on state roads and bridges in fiscal year 2023.



Multimodal includes non-highway modes of transportation such as transit, aviation, railroads and waterways. The majority of transportation revenue is legally required to be spent on state roads and bridges, leaving only \$118 million, or about 3% of total revenue, available for multimodal needs. Unlike highways, MoDOT does not own multimodal facilities. Instead, MoDOT's role is to administer funding and provide an oversight role for multimodal improvements. Many of the multimodal entities receive local tax revenue and direct federal funding, which are not included in these amounts.

In fiscal year 2023, MoDOT administered **\$47 million** of transit funds. The majority of these funds are from federal programs that support operating costs and bus purchases for transit agencies across the state. There is a small amount of state and General Revenue funding to support operating costs for transit agencies.

MoDOT administered **\$33 million** of aviation funds in fiscal year 2023. Missouri has dedicated taxes on aviation fuel to fund improvements to public use airports in Missouri. MoDOT also administers federal funding to improve airfield pavement conditions and lighting systems, eliminate obstructions and for expansion projects.

MoDOT administered **\$14 million** of rail funds in fiscal year 2023. These funds are used to support two programs – the Amtrak passenger rail service between St. Louis and Kansas City and safety improvements at railroad crossings. The Amtrak funding is from General Revenue, and safety improvements at railroad crossings are from state and federal sources.

Waterways funding totaled **\$12 million** in fiscal year 2023. These funds provided operating and capital assistance to Missouri's river ports and ferry boat operators.

MoDOT also administers a **\$3 million** freight enhancement program that provides assistance to public, private or not-for-profit entities for non-highway capital projects that improve the efficient flow of freight in Missouri.

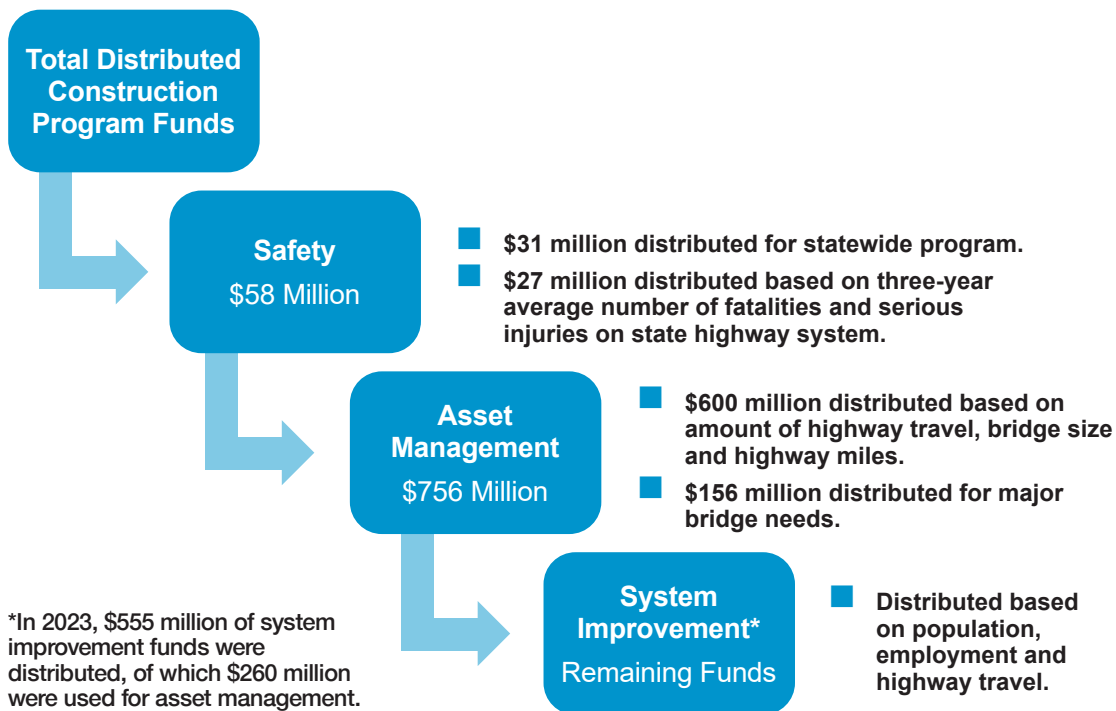
Internal operating costs to administer the various multimodal programs totaled \$3 million, including salaries, wages and fringe benefits.

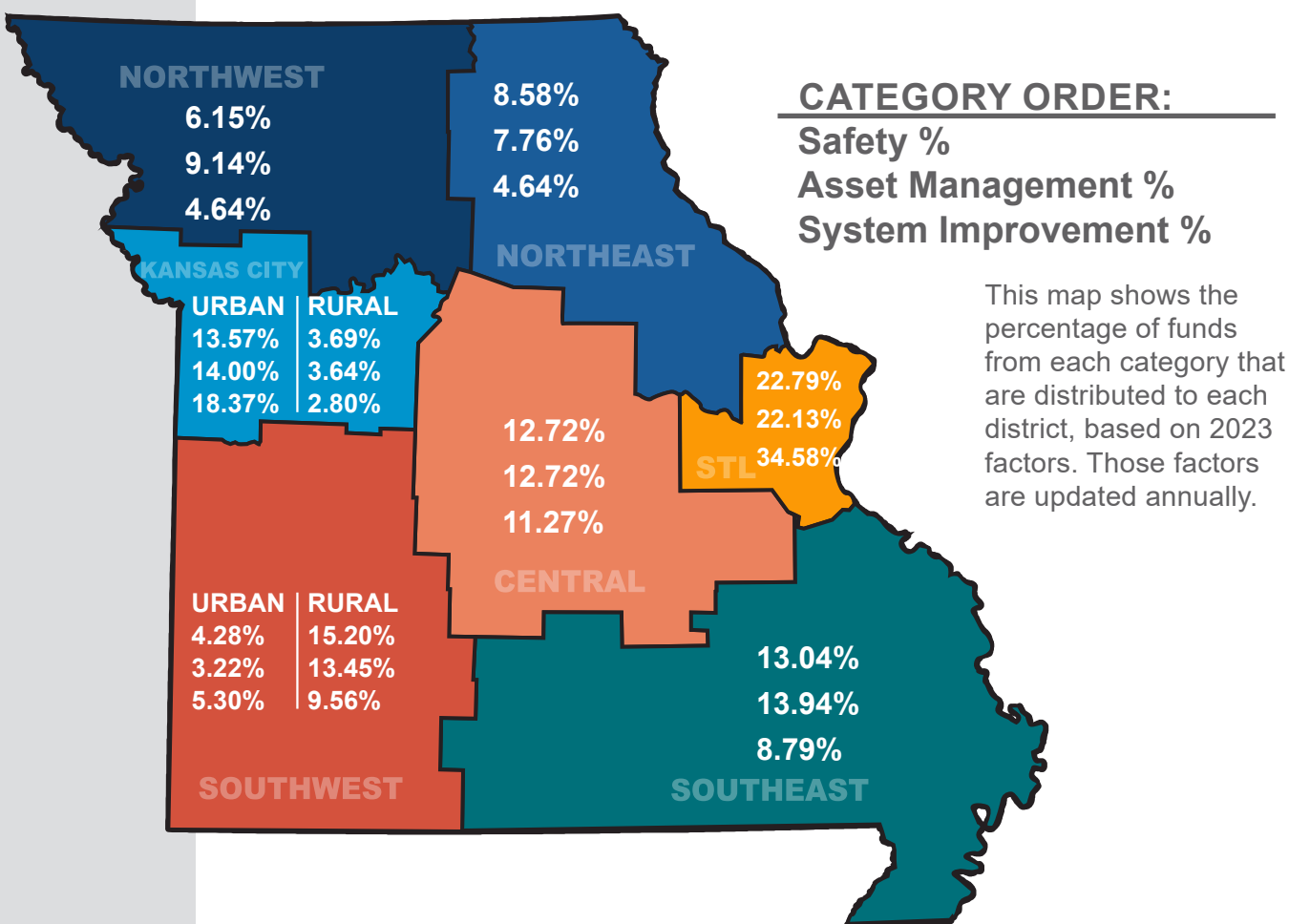
MoDOT Funding DISTRIBUTION

How is MoDOT's Funding Distributed Across the State?

Since 2003, the Missouri Highways and Transportation Commission has used a formula to distribute construction program funds for road and bridge improvements to each of its seven districts. This is the largest area of MoDOT's budget that provides funding for safety improvements, asset management and system improvement funds that districts can use to take care of the system or invest in major projects that relieve congestion and spur economic growth. In many districts, asset management funds are not sufficient to maintain current system conditions. Districts use system improvement funds to make up the difference.

Construction program funds are allocated annually to districts using the following formula:





Once construction program funds are distributed to districts, MoDOT collaborates with regional planning groups to identify local priorities based on projected available funding. The regional transportation improvement plans are brought together to form the department's Statewide Transportation Improvement Program, which outlines five years of transportation improvements. As one year of the plan is accomplished, another year is added.

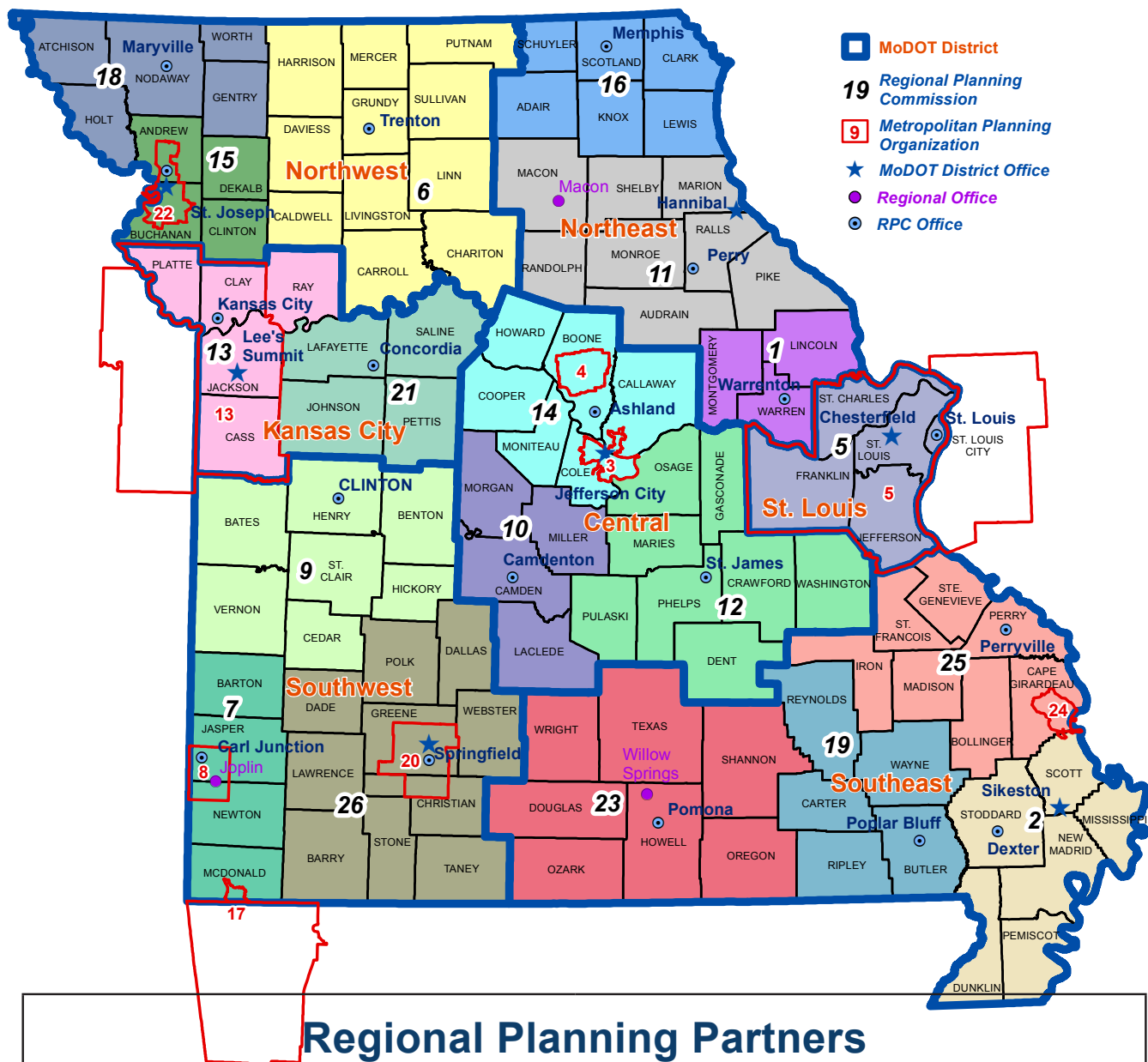
MoDOT Funding DISTRIBUTION

There are two types of regional planning groups in the state: urban areas have Metropolitan Planning Organizations, and rural areas have Regional Planning Commissions. Board members for each of these groups are typically city and county leadership, elected officials and local business owners.

The regional planning groups reach out to local citizens to identify transportation needs. MoDOT staff assists regions to prioritize those needs based on road and bridge conditions, traffic safety data and overall mobility. The prioritization process also includes balancing priorities with available funds.

Funding for MoDOT operations consists of costs for staff and expenses for maintenance, fleet, facilities and information systems activities. The funding distribution for MoDOT staff costs is based on the number of personnel needed in each district to provide the services to the public, including snow removal, mowing right of way and maintaining roadsides. The budget for expenses, such as salt, paint and fuel, are distributed to districts based on the number of highway miles, highway travel and minor roads that are in poor condition.

MoDOT's planning framework involves local citizens from start to finish – an approach that has earned MoDOT recognition as a national leader in public involvement.



1. Boonslick Regional Planning Commission	14. Mid-Missouri Regional Planning Commission
2. Bootheel Regional Planning & Economic Development Commission	15. Mo-Kan Regional Council
3. Capital Area Metropolitan Planning Organization	16. Northeast Missouri Regional Planning Commission
4. Columbia Area Transportation Study Organization	17. Northwest Arkansas Regional Planning Commission
5. East West Gateway Council of Governments	18. Northwest Missouri Regional Council of Governments
6. Green Hills Regional Planning Commission	19. Ozark Foothills Regional Planning Commission
7. Harry S. Truman Coordinating Council	20. Ozarks Transportation Organization
8. Joplin Area Transportation Study Organization	21. Pioneer Trails Regional Planning Commission
9. Kaysinger Basin Regional Planning Commission	22. St. Joseph Area Transportation Study Organization
10. Lake of the Ozarks Council of Local Governments	23. South Central Ozark Council of Governments
11. Mark Twain Regional Council of Governments	24. Southeast Metropolitan Planning Organization
12. Meramec Regional Planning Commission	25. Southeast Missouri Regional Planning and Economic Development Commission
13. Mid America Regional Council	26. Southwest Missouri Council of Governments

MoDOT Funding DISTRIBUTION

When adding the construction program, operations, administration and highway safety programs together, the following amounts were spent in districts for fiscal year 2023:
(\$ Millions)

District	Construction Program	Operations*	Admin**	HWY Safety Programs	Total
Northwest	\$175	\$75	\$2	\$0	\$252
Northeast	\$135	\$62	\$2	\$0	\$199
Kansas City	\$243	\$62	\$3	\$3	\$311
Central	\$242	\$73	\$2	\$1	\$318
St. Louis	\$378	\$69	\$3	\$5	\$455
Southwest	\$209	\$85	\$2	\$2	\$298
Southeast	\$183	\$89	\$2	\$0	\$274
Central Office***	\$50	\$115	\$39	\$13	\$217
Total	\$1,615	\$630	\$55	\$24	\$2,324

*Includes \$529 million of maintenance expenditures and \$101 million of fleet, facilities and information system expenditures.

**According to the Reason Foundation, MoDOT's administrative costs are 14th lowest in the nation for state departments of transportation.

***Statewide administrative costs include \$17 million for medical insurance costs for MoDOT retirees.

Since spending can fluctuate from year to year, the table below provides the amounts based on the five-year average from fiscal years 2019 through 2023:

(\$ Millions)

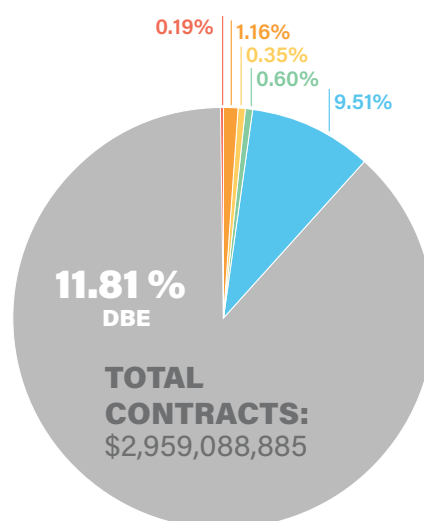
District	Construction Program	Operations	Admin	HWY Safety Programs	Total
Northwest	\$114	\$67	\$2	\$0	\$183
Northeast	\$87	\$58	\$2	\$0	\$147
Kansas City	\$209	\$60	\$3	\$3	\$275
Central	\$150	\$71	\$2	\$1	\$224
St. Louis	\$268	\$67	\$3	\$4	\$342
Southwest	\$180	\$82	\$2	\$1	\$265
Southeast	\$133	\$83	\$2	\$0	\$218
Central Office	\$40	\$80	\$36	\$11	\$167
Total	\$1,181	\$568	\$52	\$20	\$1,821

\$0 denotes less than \$1 million

Disadvantaged Business Enterprises

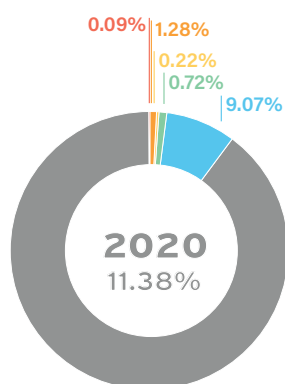
The Disadvantaged Business Enterprise program is a federally mandated program administered by MoDOT's External Civil Rights Division. The program's overall goal is to provide opportunities to participate in the economic benefits of highway construction to small businesses owned and operated by disadvantaged individuals.

STATEWIDE TOTAL FFY 20-22

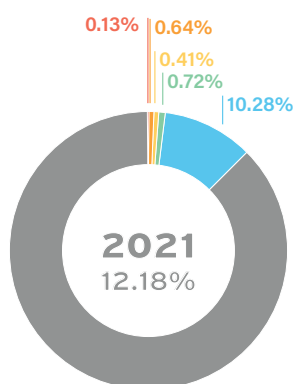


TOTAL DBE PARTICIPATION COMMITTED: \$349,431,416

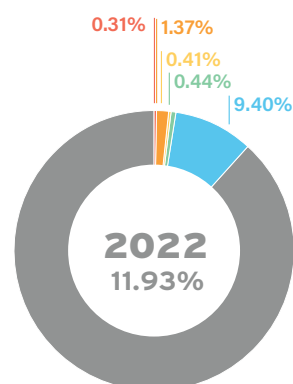
ASIAN AMERICAN	\$5,712,801	NATIVE AMERICAN	\$17,708,086
BLACK AMERICAN	\$34,307,759	NON-MINORITY (Female)	\$281,376,584
HISPANIC/LATINO AMERICAN	\$10,326,186		



TOTAL: \$967,391,528
DBE: \$110,052,069



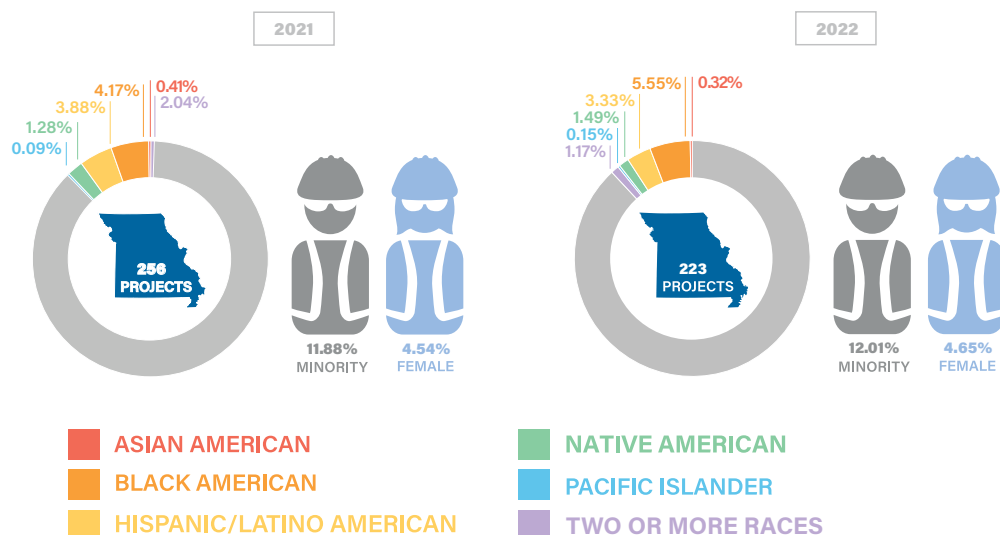
TOTAL: \$727,781,101
DBE: \$88,620,275



TOTAL: \$1,263,916,256
DBE: \$150,759,072

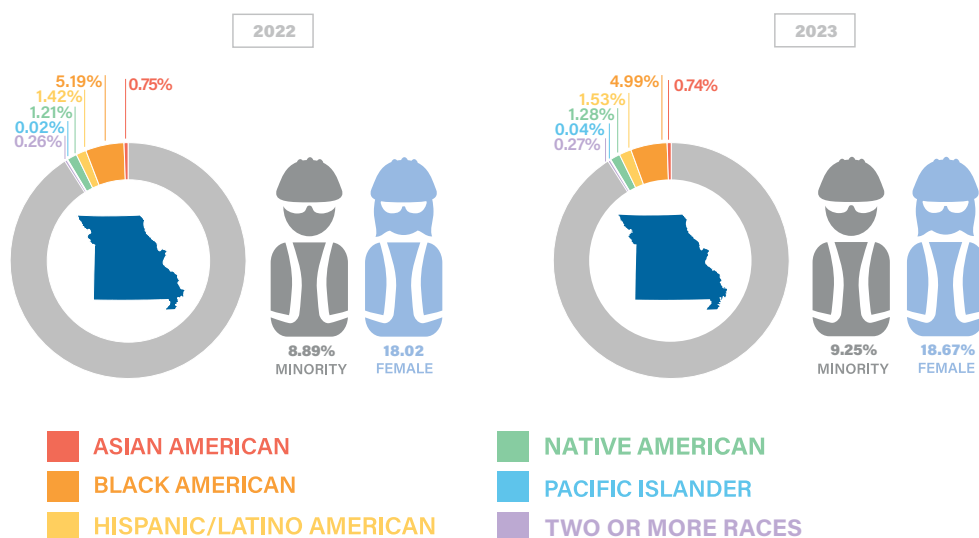
MoDOT Workforce Analysis

CONTRACTOR



MoDOT STAFF

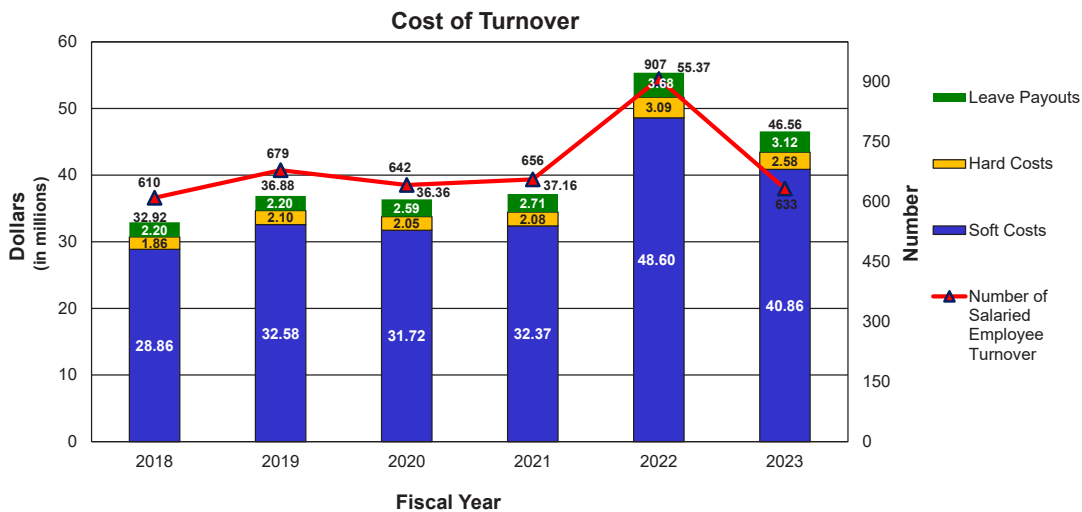
Minorities and women employed



Sources: MoDOT Tracker, Annual Federal Highway Report by percentage of employees
www.modot.org/welcome-external-civil-rights

MoDOT Workforce Challenges

Excessive employee turnover significantly impacts MoDOT's productivity. It is costly and creates a continual staffing cycle to fill positions needed to maintain a safe and reliable transportation system. Approximately 630 employees left in fiscal year 2023, costing the department more than \$46 million.

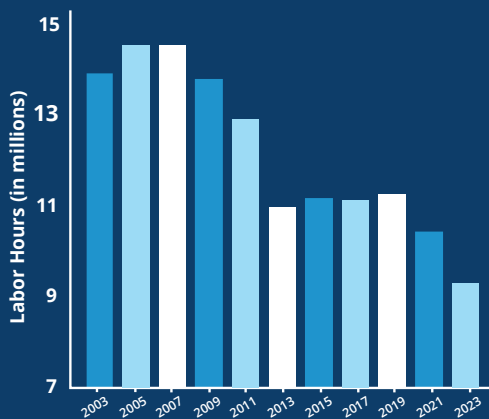


This is a reduction from fiscal year 2022 in which more than 900 employees left the department at a cost of more than \$50 million. This reduction is attributed to recent actions taken regarding pay. Salary adjustments included the implementation of a market adjustment approved by the commission and multiple cost-

of-living increases signed into law by the governor in fiscal years 2022 and 2023.

While progress has been made, there are still areas that continue to struggle. The department continues to see high turnover in maintenance positions and struggles with filling critical positions like equipment technicians (mechanics). It is necessary to continue improving employee pay to ensure MoDOT can staff critical positions and retain a trained and qualified workforce to carry out its mission.

20 Year Labor Hour Comparison



The Cost of Operations

How Much Does It Cost to Operate the Transportation System?

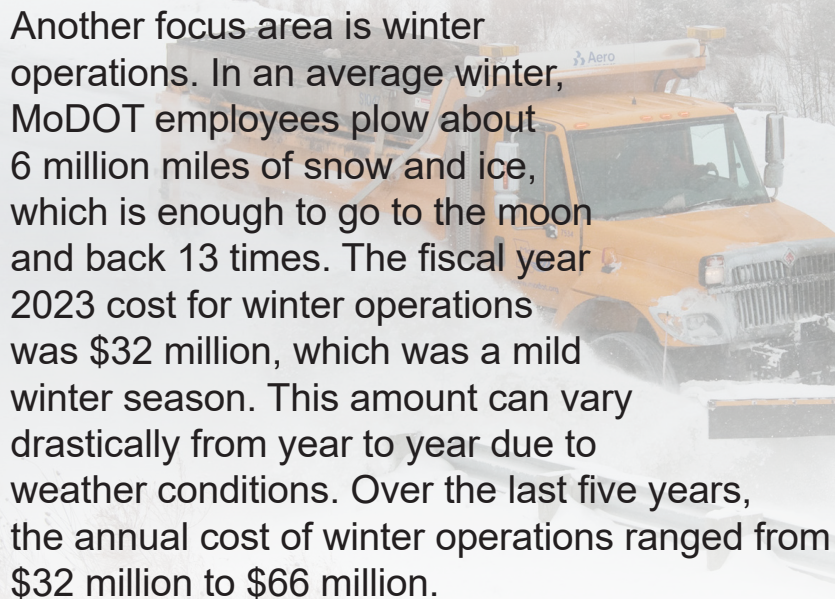
MoDOT employs 3,000+ field employees throughout the state to operate and maintain the transportation system. In fiscal year 2023, MoDOT invested \$630 million, or about \$12.28 per month from Missouri drivers, to provide services, including:

- Pavement repairs and sealing
- Winter operations
- Bridge maintenance
- Striping
- Traffic signs and signals
- Mowing
- Flood/road closures
- Ditches/Drainage
- Litter and debris removal
- Unsheltered area cleanup
- Incident response
- Customer calls
- Dead animal removal
- Driveway maintenance
- Permits
- Vegetation control

The most significant cost of operations is roadway maintenance. In fiscal year 2023, \$249 million of MoDOT's operating budget was spent on roadways for repairs, sealing and striping. Each year, MoDOT crews place enough asphalt to do a 1-inch overlay and sealing from Los Angeles to Washington D.C. – about 2,300 miles.

The repair work from MoDOT operations is focused on roads that do not carry a lot of traffic. Funding from the construction program pays for pavement improvements for heavily traveled roads, like interstates and U.S. highways.






Another focus area is winter operations. In an average winter, MoDOT employees plow about 6 million miles of snow and ice, which is enough to go to the moon and back 13 times. The fiscal year 2023 cost for winter operations was \$32 million, which was a mild winter season. This amount can vary drastically from year to year due to weather conditions. Over the last five years, the annual cost of winter operations ranged from \$32 million to \$66 million.

Maintaining roadsides costs about \$47 million each year for crews to mow grass and remove litter, debris and dead animals. MoDOT mows about 400,000 acres of grass each year, which is equivalent to 300,000 football fields.

High levels of turnover in the past few years have resulted in Maintenance crews focusing their limited staffing resources on Priority 1 tasks, which are deemed an immediate hazard to the public. This is also the case during winter weather, where winter operations vacancies have the department nearly 30% below the staffing needed to cover more than one shift in a statewide storm. If a widespread storm lasted more than one 12-hour shift, it would therefore take longer to clear the roads. Supply chain delays have also led to longer times to replace signs or stripe roads.



The Cost of Operations

Operating funds do more than just maintain the system. They also provide funds to operate the system so people get where they want to go. MoDOT manages more than 2,600 traffic signals, 250 dynamic message signs, 1,100 traffic cameras and has traffic management centers in Kansas City, St. Louis and Springfield. The average annual cost for these operations is \$15 million.

In addition, MoDOT crews are able to respond quickly to incidents ranging from traffic crashes to flooding to make sure Missourians arrive safely at their destination. One of the department's primary customer concerns is trash along the roadsides and debris from unsheltered areas on state right of way, yet another symptom of high staff turnover and vacancy.

With paid labor in these areas down millions of hours, customer service is not meeting customer expectations. The Missouri Highways and Transportation Commission instructed MoDOT to increase labor hours to improve service.

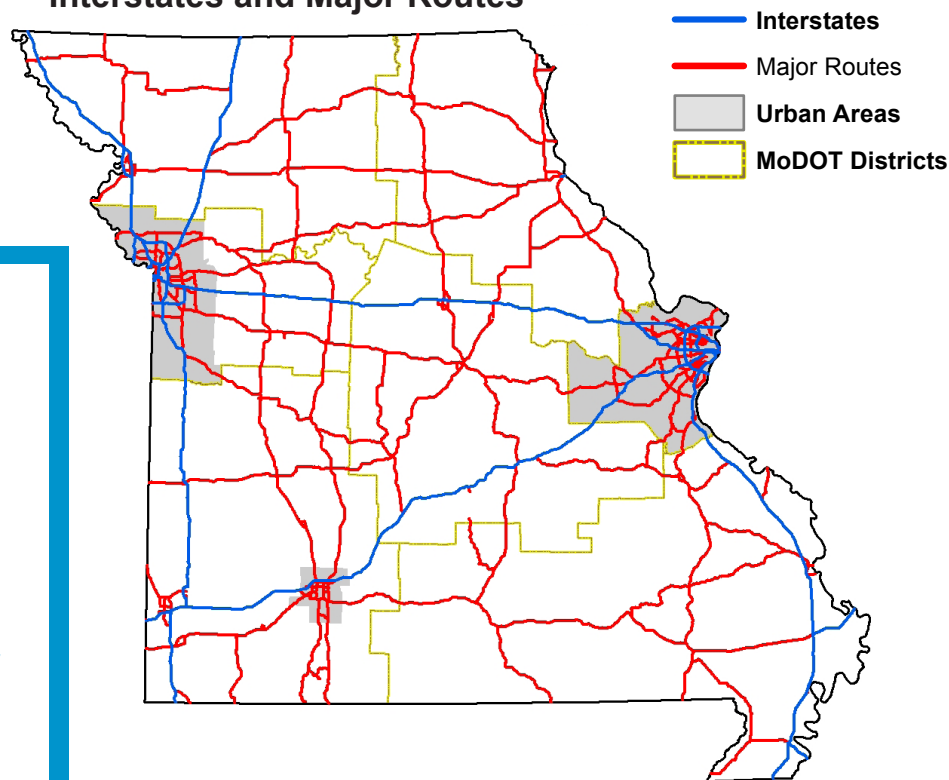


The Current Condition of MISSOURI TRANSPORTATION

What is the Current Condition of Missouri Transportation?

Last year, 53 billion miles were traveled on the state highway system, an increase of 1 billion miles. The majority of travel occurs on interstates and major routes. Interstates and major routes include just 5,553 miles of the 33,808 miles of highway in Missouri but account for 77% of the travel. Currently, 89% of these routes are in good condition as MoDOT has focused on improving and maintaining these routes over the last decade.

Interstates and Major Routes

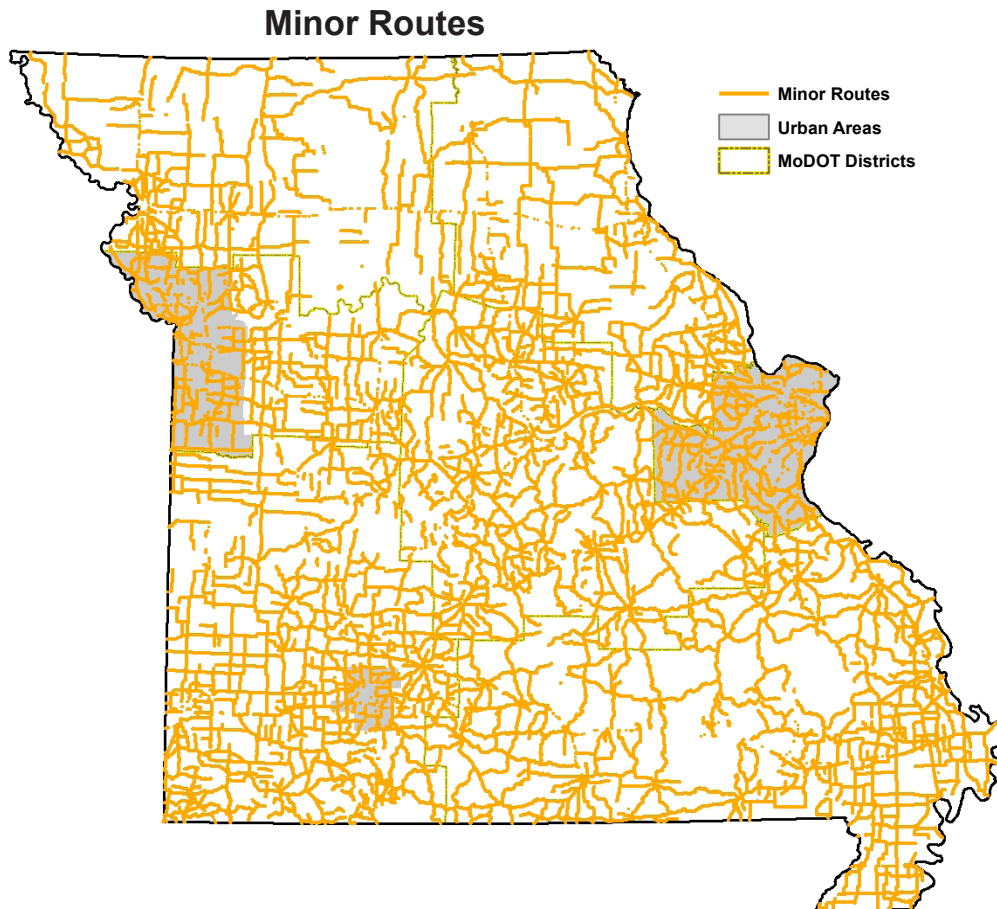


MoDOT's construction program provides the funding to maintain these routes.

40.8 billion miles were driven on interstates and major routes; therefore, on average, 7.3 million vehicles traveled each mile, an increase of 1.4 billion compared to 2022.

The Current Condition of MISSOURI TRANSPORTATION

Missouri's minor routes make up the largest group of state highways, accounting for 17,538 miles – just over one-half of the entire state highway system. Almost 22% of all state travel occurs on these routes. Currently, 80% of these routes are in good condition.

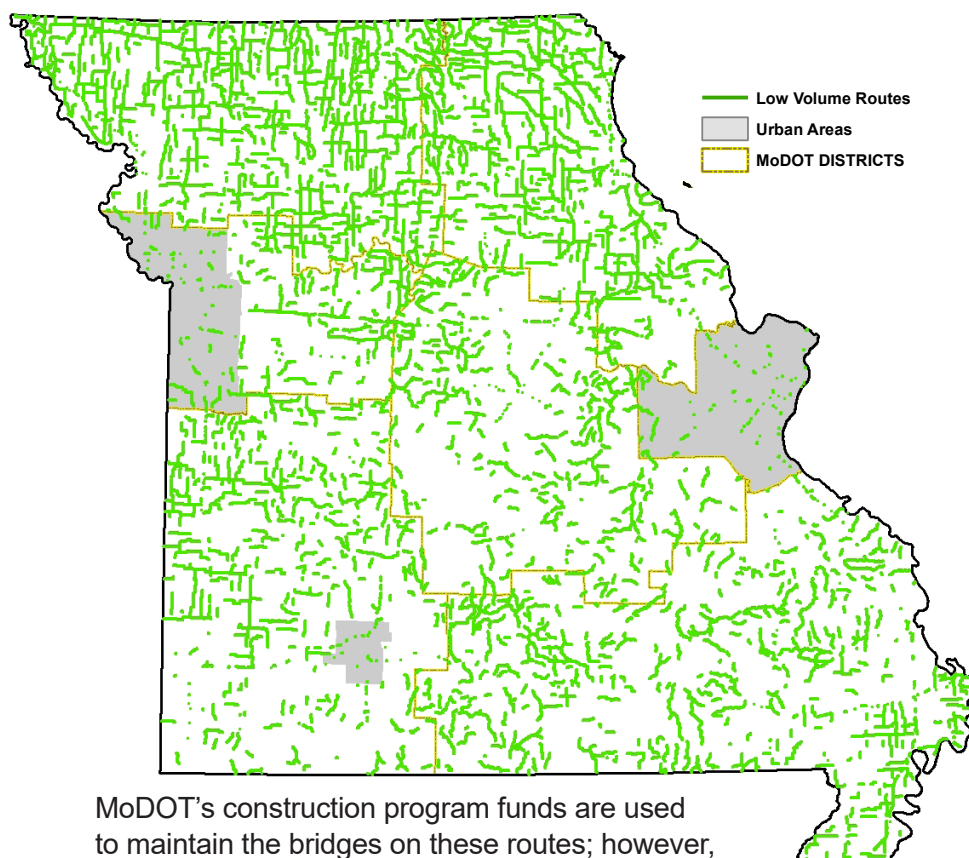


11.5 billion miles were driven on minor routes; therefore, on average, 656,000 vehicles traveled each mile - a decrease of 0.3 million miles compared to 2022.

MoDOT's construction program provides the funding to maintain these routes.

The final tier of Missouri highways is low-volume routes. Each of these routes carries less than 400 vehicles per day and primarily serves local transportation needs. Missouri has 10,717 miles of low-volume routes, accounting for about one-third of the state system. However, approximately 5,200 miles of these routes are not on the federal aid highway system and are ineligible for federal funds, which has impacted investment levels and conditions during the past 25 years. Travel on these routes is less than 2% of all state highway travel. Currently, 74% of these routes are in good condition, up from 71% in 2022.

Low Volume Routes

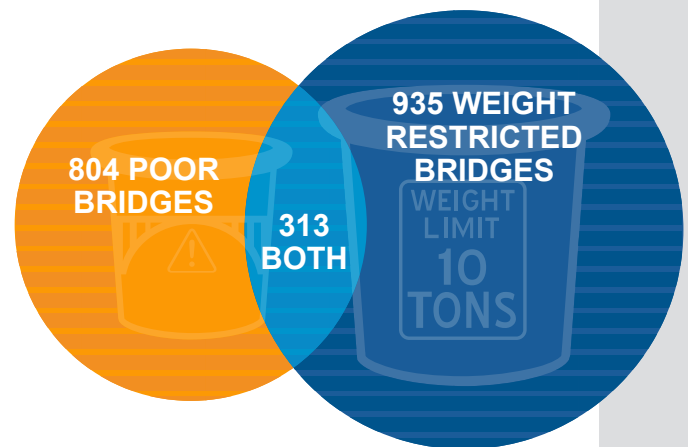


MoDOT's construction program funds are used to maintain the bridges on these routes; however, the pavements on these routes are maintained using MoDOT's maintenance funds.

800 million miles were driven on low volume routes; therefore, on average, 75,482 vehicles traveled each mile.

The Current Condition of MISSOURI TRANSPORTATION

In addition to the huge network of highways, Missouri has 10,424 bridges of varying sizes, including 211 major bridges that are longer than 1,000 feet, or about the length of three football fields. Currently, 804 bridges are in poor condition, an improvement of 19 since 2022. MoDOT inspects these bridges on a regular basis to ensure they are safe for travelers. If a bridge is unsafe, it is closed until repairs can be made. Missouri also has 935 weight-restricted bridges, with 313 of them also in poor condition.



Totals	Typical Bridges	Major Bridges	All Bridges
Number	10,213	211	10,424
Area	65,008,207	23,515,299	88,523,506
Average Age	48.9	37.8	48.7
Weight Restricted	899	36	935
Area of Weight Restricted	6,225,194	5,206,525	11,431,719
Poor	778	26	804
Area of Poor	4,439,531	2,487,058	6,926,589
Both Poor and Weight Restricted	302	11	313
Both Poor and Weight Restricted Area	1,230,794	1,287,711	2,518,504
Only Poor and Only Weight Restricted	1,073	40	1,113
Only Poor and Only Weight Restricted Area	8,203,138	5,118,162	13,321,300
Average Price per Square Foot	\$150	\$900	--
Only Poor and Only Weight Restricted Cost	\$1.23 billion	\$4.61 billion	\$5.84 billion
Total Cost	\$9.75 billion	\$21.2 billion	\$30.9 billion

Approximate vehicle weights

Lower weight limits for about 1,300 load-posted state bridges:



AVERAGE STANDARD
CAR: **1.5 TONS**



AVERAGE PICKUP
TRUCK: **3 TONS**



AVERAGE
AMBULANCE: **5 TONS**



AVERAGE DELIVERY
TRUCK: **6 TONS**



AVERAGE
LOADED
SCHOOL BUS:
17 TONS



AVERAGE LOADED
GARBAGE TRUCK:
25 TONS



AVERAGE
LOADED
CHARTER
BUS:
20 TONS



AVERAGE
FIRE TRUCK:
19-30 TONS



AVERAGE LOADED
COMBINE HARVESTER:
30 TONS



AVERAGE LOADED
PLOW TRUCK:
28 TONS



AVERAGE LOADED
CONCRETE TRUCK:
33 TONS



AVERAGE LOADED
DUMP TRUCK:
36 TONS

AVERAGE
LOADED
TRACTOR
TRAILER:
40 TONS



Source: PennDOT

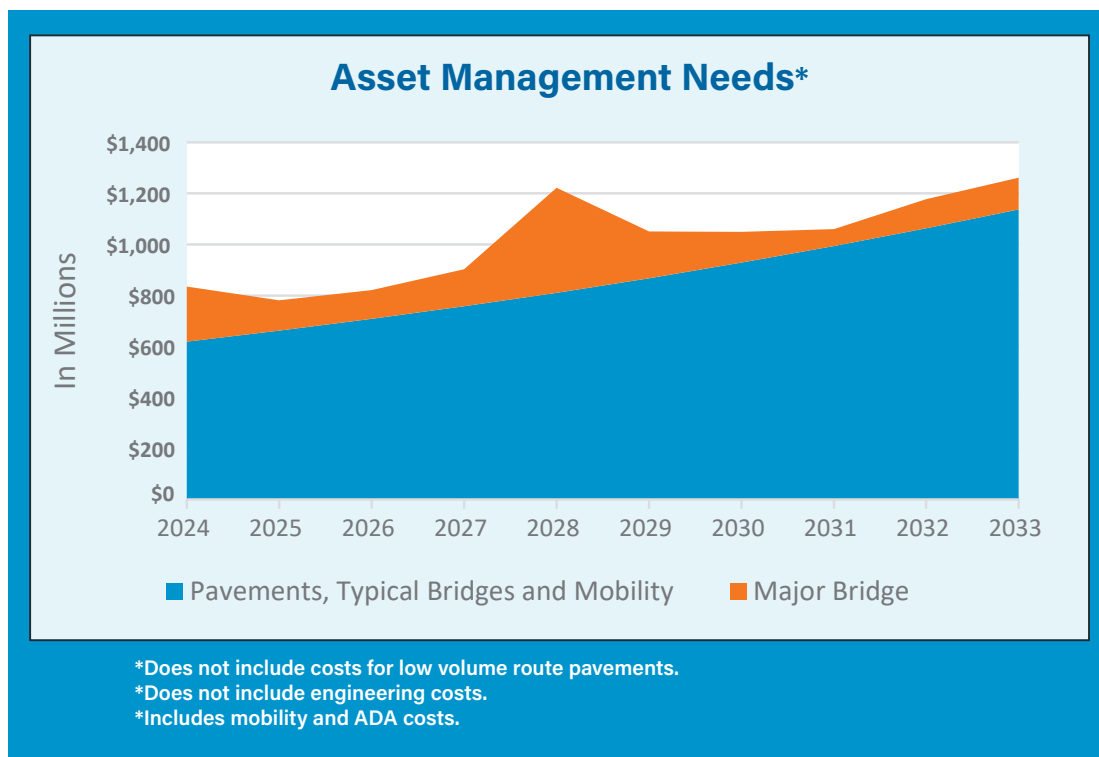
James Hilston/Post-Gazette

ASSET Management

MoDOT has adopted an asset management approach to make the best decisions with transportation investments. The goal of the plan is to keep roads and bridges in good condition for as long as possible given current funding levels. The plan also demonstrates the investment level needed in order to maintain the system at its current condition.

Asset	Asset Management Goal Based on Current Funding
Interstates and Major Routes	90% Good Condition
Minor Routes	80% Good Condition
Low Volume Routes	70% Good Condition
Bridges	Less Than 900 Poor Condition

The asset management 10-year funding needs are shown in the chart below:



What is THE COST?

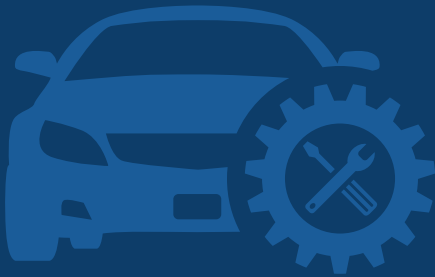
How Much Do Current Roadway Conditions Cost Missourians?

Missourians pay a relatively small amount per month to use the state system of roads and bridges. The average Missouri driver pays about \$34 per month in state and federal transportation taxes and fees. That's far less than what the average Missourian pays for cell phone service, cable television or internet service.

But there are also hidden transportation costs that Missourians may not realize they are absorbing when they sit on congested highways, drive on rough roads or experience vehicle crashes.



What is THE COST?



System condition costs Missouri drivers about \$520 per month.

According to the 2020 Texas Transportation Institute's Urban Mobility Report, Missourians who commute to work by car spend many hours in congestion, ranging from 9 hours per year in Cape Girardeau and 6 hours in St. Joseph, to 34 hours per year in Kansas City and 33 hours in St. Louis. That means gallons of fuel wasted, a loss of productivity and hours lost that have an adverse effect on a person's quality of life. The associated cost of congestion translates to an average of \$48 per month for Missouri drivers.

There are also hidden costs in operating and maintaining a vehicle on rough roads due to:

- Accelerated vehicle depreciation,
- Additional vehicle repair costs,
- Increased fuel consumption,
- Increased tire wear and
- Environmental impact of congestion.

The Road Information Program's 2023 "Key Facts About Missouri's Surface Transportation System" report calculated those costs to be \$68 per month for Missouri drivers, or a total of \$3.4 billion each year to the state of Missouri.

Motor vehicle crashes cost Missourians \$20.7 billion each year⁴. This equates to \$404 per month for each Missouri driver. This amount includes medical costs, lost workplace and household productivity, property damage, congestion costs and legal costs.

When combined, congestion, additional vehicle operating costs and roadway crashes cost each Missouri driver about \$520 per month. Additional investments in congestion relief, improving system conditions and safety can reduce these costs for Missourians.

4

Crash Costs for Highway Safety Analysis, 2018, Federal Highway Administration

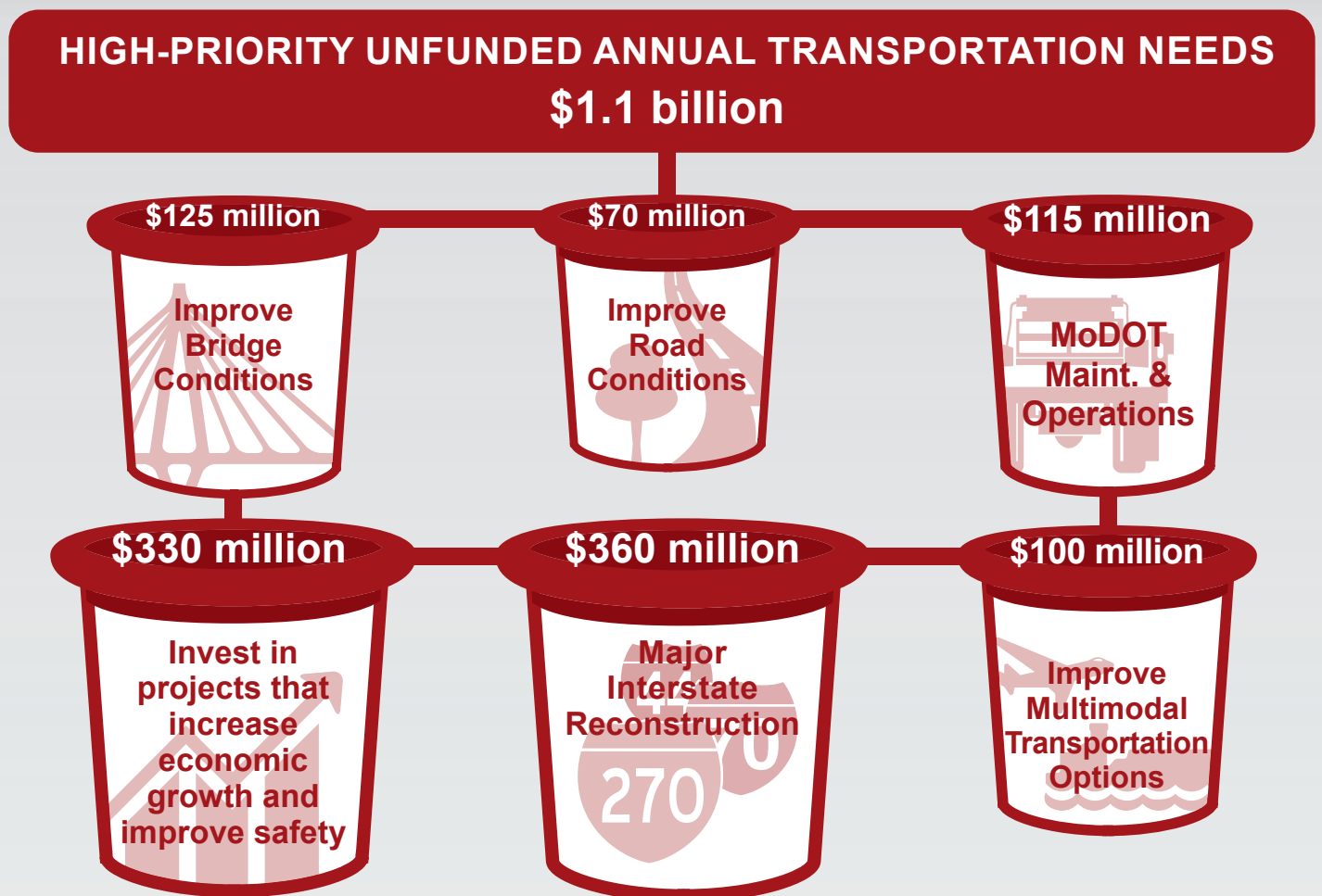


High-Priority Unfunded TRANSPORTATION NEEDS

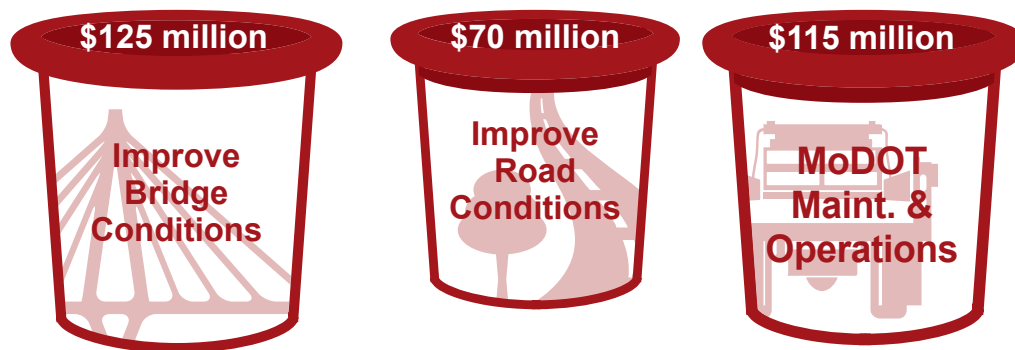
What are Missouri's Transportation Needs?

When MoDOT completed its current long-range transportation plan, extensive input from Missourians resulted in five goals for the state's transportation system over the next 20 years:

1. Take care of the transportation system and services we enjoy today.
2. Keep all travelers safe – no matter the mode of transportation.
3. Invest in projects that spur economic growth and create jobs.
4. Give Missourians better transportation choices.
5. Improve reliability and reduce congestion on Missouri's transportation system.



Aside from the state's historic investment in I-70, with MoDOT's current available resources, the reality is that the department must focus its attention on keeping the existing system in the condition that it is in today. To do that, some MoDOT districts must devote every available dollar to maintaining the condition of their roads and bridges, and they are still going to lose ground over time. That leaves a number of unfunded transportation needs.



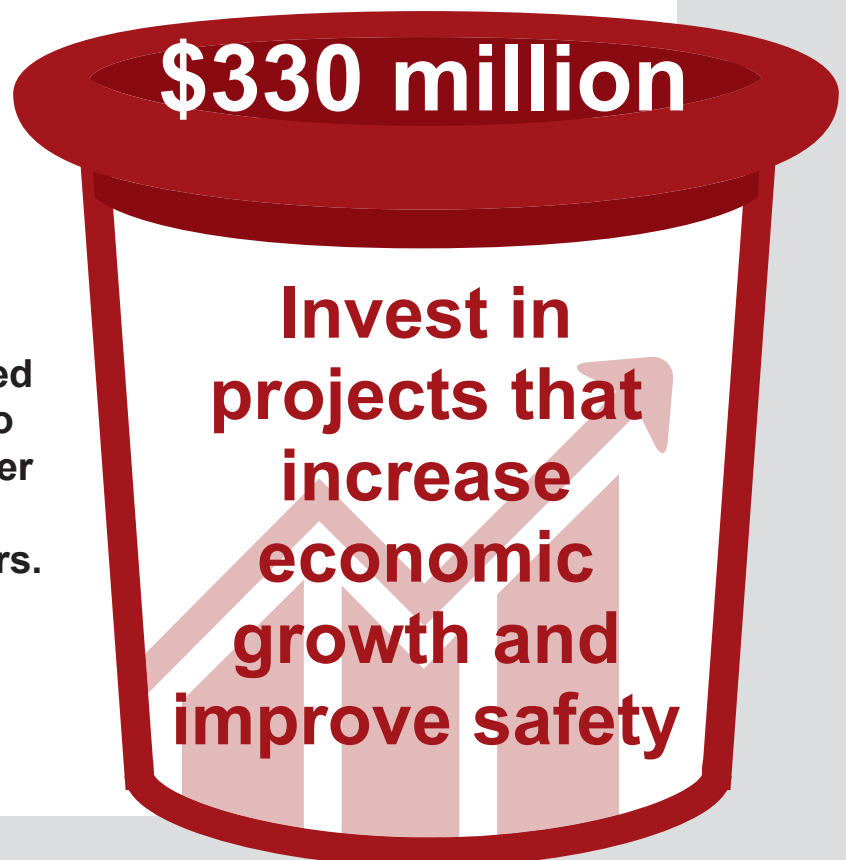
Improve road and bridge conditions – Investing an additional \$310 million per year would enable all of MoDOT's districts to adequately maintain their existing system, begin driving down the state's number of poor bridges, improve the condition of the state's roads and stabilize the level of MoDOT's maintenance and operations efforts to keep pace with inflationary cost increases. **The required investment equates to an average of \$6.04 per month by each of the state's licensed drivers.**

In Summer 2023, MoDOT and its regional planning partners prioritized \$4.7 billion in road and bridge unfunded project needs in three tiers. Tier one includes \$551 million. Tier two is worth \$2.1 billion in needs and tier three includes \$2.0 billion. Additionally there are \$1 billion in multimodal needs. There is an additional nearly \$5 billion identified statewide unfunded needs primarily focused on improving Interstate 44.

High-Priority Unfunded TRANSPORTATION NEEDS

Invest in projects that increase economic growth and improve safety – These are the projects that local communities across the state are clamoring for but which are unaffordable in today's financial environment. Projects include new interchanges, adding shoulders with rumble stripes and adding lanes to the current system. In addition to congestion reduction and economic growth benefits, all of these projects would improve safety so fewer fatalities and serious injuries occur.

An additional investment of \$330 million per year would allow MoDOT to begin meeting those needs. MoDOT would work with its regional planning partners to ensure the highest priorities would be funded. **The required investment equates to an average of \$6.43 per month by each of the state's licensed drivers.**





Major interstate highway reconstruction – The nation's interstate system is now 65 years old, and Missouri's interstates were built with a 20-year life expectancy. They need attention. The poster child for Missouri's interstate needs is Interstate 70 – the nation's oldest interstate. MoDOT has known for years that it needs to be reconstructed with added capacity to reliably handle mounting levels of traffic, especially long-haul trucks. The project, though, has been and continues to be unaffordable. The state's other five interstates will also be facing improvement/preservation needs in the coming years. An additional \$360 million per year would allow MoDOT to begin tackling this long overdue improvement. The required investment equates to an average of \$7.02 per month by each of the state's licensed drivers.

Many Missourians depend on non-highway modes of transportation; however, the state currently invests very little money toward those needs.

Please visit www.modot.org/planning-and-performance-support-0 for a list of specific unfunded needs for each region of the state.

High-Priority Unfunded TRANSPORTATION NEEDS

\$100 million

**Improve
Multimodal
Transportation
Options**

**Improve multimodal
transportation options –**

Missouri's transit systems, railroads, ports, waterways, airports and bicycle/pedestrian facilities could begin to see much needed improvements with an annual investment of \$100 million. MoDOT would work with the owners and stakeholders of these transportation systems, along with our regional planning partners, to identify and fund the highest

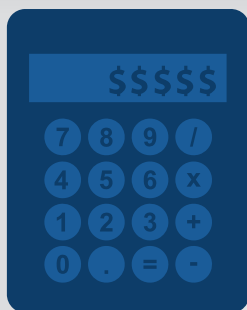
priority needs. **The required investment equates to an average of \$1.95 per month by each of the state's licensed drivers.**



CITIZEN'S GUIDE TO TRANSPORTATION FUNDING IN MISSOURI

In summary, Missourians enjoy access to a large transportation system that keeps us connected. Maintaining and improving the transportation system is expensive but is a worthwhile investment. The average Missouri driver contributes about \$34 per month to fund their access to the transportation system and the services MoDOT provides.

Incremental increases in funding for improving road and bridge conditions, investing in projects that increase economic growth and safety, reconstructing major interstates and improving multimodal transportation options can offset the \$520 of hidden costs drivers are paying each month due to congestion, rough roads and traffic crashes.

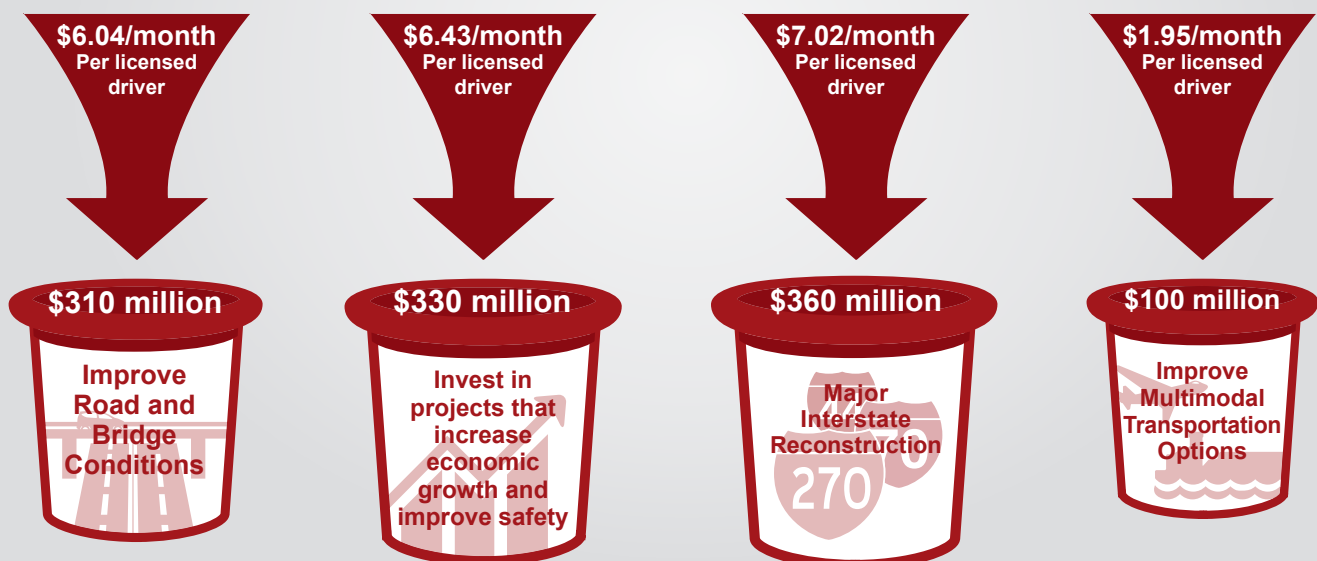


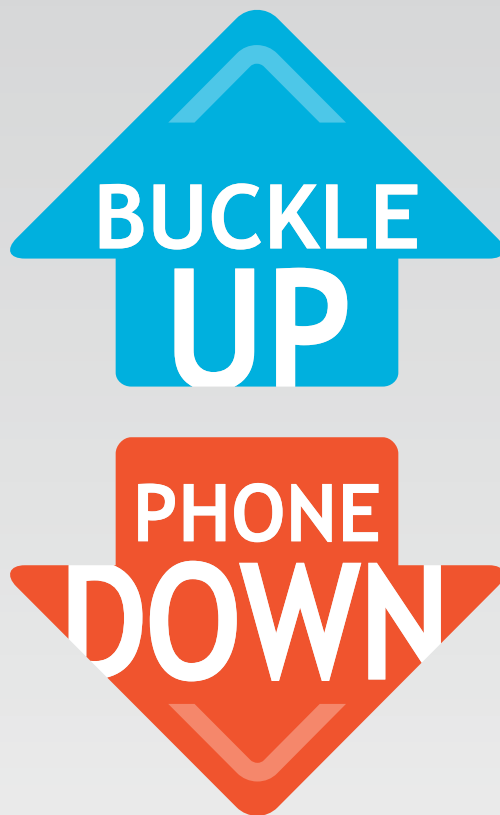
MONTHLY COSTS OF ADDITIONAL BENEFITS

The average driver in Missouri pays \$34 per month in federal and state taxes/fees to support Missouri's system of roads and bridges.

Based on 13,456 miles driven per year at 22.8 mpg, plus the average motor vehicle sales tax per driver.

Additional Investments Needed to Improve Missouri's Transportation System





Missouri Department of Transportation
1-888-ASK-MoDOT
modot.org

